

WASHINGTON, D.C. - This has been a very good year for veterans across the country and in our own backyard. Congressman Sam Farr (D-Carmel) was instrumental in crafting a tax relief provision that will help thousands of military retirees whose disability claims have been delayed.

When military retirees are awarded retroactive disability compensation, previous retiree income is designated as nontaxable. However, the IRS only allows amended tax returns for the previous three years. That limit, coupled with a severe VA claims backlog, hurts many vets who need those funds.

The Heroes Earnings Assistance and Relief Tax Act (HR 3997), which passed the House on Tuesday, includes a provision extending that IRS statute of limitations to five years. A similar fix is making its way through the Senate. The House provision was taken from the Disabled Veterans Tax Fairness Act (HR 2234), introduced by Rep. Farr in May.

"We must not allow these policy flaws to harm our veterans," Rep. Farr said. "Patching up these oversights and providing full funding for VA programs is the right thing to do. And we must not forget our military families. The president has effectively left military families behind. It's our job to make sure our soldiers don't come home to families lacking health care, housing and jobs."

Rep. Farr, vice-chair of the Appropriations Subcommittee on Military Construction and Veterans Affairs, also worked to reduce the claims backlog by helping to secure \$124 million in the House version of the VA funding bill; the bill would fund 1,800 new claims processors.

The Democrats have also championed the largest increase in the 77-year history of the VA. When the president decides to sign the funding bill, the VA will see a \$6.6 billion increase over last year's budget, nearly double the president's suggested level.

Democrats have also shown their dedication to strengthening quality health care for 5.8 million patients and earned benefits for all veterans. Among the many priorities Democrats are working on:

- Reducing the 400,000-claim backlog and the 177-day average wait for veterans to access earned benefits by adding 1,800 new claims processors.
- Quality care for the 263,000 veterans returning from Iraq and Afghanistan, particularly the estimated one-third suffering from post-traumatic stress disorder and traumatic brain injury.
- Providing a pay raise, better military health care and family leave to care for wounded soldiers.

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